



General Assembly

February Session, 2020

***Raised Bill No. 5370***

LCO No. 1969



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

***AN ACT CONCERNING CRUMBLING CONCRETE FOUNDATIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (i) of section 38a-91vv of the 2020 supplement  
2 to the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2020*):

4 (i) The captive insurance company shall continue until June 30, [2022]  
5 2030, or until its existence is terminated by law, whichever first occurs.  
6 Upon the termination of the existence of the company, all its right and  
7 properties shall pass to and be vested in the state of Connecticut.

8 Sec. 2. (*Effective from passage*) (a) The Insurance Commissioner shall  
9 study methods available to accelerate responses by insurers to claims  
10 for coverage under the property coverage provisions of homeowners  
11 insurance policies for foundation deterioration due to the presence of  
12 pyrrhotite.

13 (b) Not later than January 1, 2021, the Insurance Commissioner shall  
14 submit a report, in accordance with the provisions of section 11-4a of the  
15 general statutes, on the commissioner's findings to the joint standing

- 16 committee of the General Assembly having cognizance of matters  
17 relating to insurance.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2020</i>	38a-91vv(i)
Sec. 2	<i>from passage</i>	New section

***Statement of Purpose:***

To: (1) Extend the sunset date for Connecticut Foundation Solutions Indemnity Company, Inc.; and (2) require the Insurance Commissioner to study methods available to accelerate responses by insurers to claims under homeowners insurance policies for foundation deterioration due to the presence of pyrrhotite.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*